

§ 58-89A-112. Liabilities.

Subject to any contrary provisions thereof, the PEO agreement shall be interpreted for purposes of insurance, bonding, and employer's liability as follows:

- (1) A licensee is not liable for the acts, errors, or omissions of a client company or of any assigned employee or for the quality, adequacy, or safety of the goods or services produced or sold in the client company's business. A client company is not liable for the acts, errors, or omissions of a licensee or of any employee of a licensee. Nothing in this section limits any contractual liability between a licensee and the client company or limits any liability or responsibility under this Article.
- (2) Employees assigned to a client company by a licensee are the employees of the client company for the purposes of general liability insurance, automobile insurance, fidelity bonds, surety bonds, and liquor liability insurance carried by the client company unless the employees are included by specific reference in the applicable PEO agreement, insurance contract, or bond. (2004-162, s. 1.)